2019 HOUSING CONTRIBUTIONS
WORKGROUP MEETING #3

Lee Center | May 2, 2019
TONIGHT'S AGENDA

Welcome
Introductions
HCWG Fundamentals
What We Have Heard
Non-residential to Residential Building Conversions
Senior Housing Projects
Discussion
Next Steps
PURPOSE: Establish policy guidance regarding housing contributions for rezoning, master plan amendment, senior housing, and conversion projects.

March 7
- Education and goal setting

April 4
- Rezonings
- Master plan amendment applications

May 2 & 9
- Senior housing projects
- Commercial to residential building conversions
- Policy recommendations

June 2
- Community Public Hearing during AHAAC Meeting

June/July
- Planning Commission Briefing
- City Council Public Hearing
Importance of:
- City Council establishing priorities for community benefits—trade offs/relief needed to provide greater affordable housing
- Establishing clear expectations and/or goals through small area planning process
- Setting and communicating consistent expectations so that developers can factor in cost of contribution into land value up front

Explore other tools to incentivize affordable housing
- E.g. tax exemption/abatement, PILOTs, TIFs, “public-utility model”
- Consider changes to Section 7-700
  - Allow bonus height in zones with 50’ cap under certain circumstances
  - Permit application on commercial-only development in exchange for heightened contribution
  - Note: Section 7-700 is not always practical/financially feasible if it pushes a project from stick-built to concrete/steel
- No “one size fits all” contribution policy
  - Each project is different depending on community context, market dynamics, environmental/site conditions, construction type, etc
    - One option: Consider creating a menu of policy options to reflect different economic realities
  - Allow for flexibility if market/project dynamics change
    - “Certainty with flexibility”

- When estimating value of additional density, assume land value already reflects some portion of density envisioned in small area plan
  - Identify an alternate base (higher than base in existing zone) as a starting point for heightened affordable housing expectations in rezoning applications
Different opinions regarding the role commercial development could play in expanding housing affordability

- Bonus density for commercial development
- No increased expectations = recognize the critical role commercial development plays in expanding the City’s overall tax base

There is some baseline amount every development expects to provide—have conversation early

- Many developers are willing to brainstorm on what it would take to help expand housing affordability in their projects

Do not charge affordable housing projects community impact fees

- Such projects cannot afford these costs and end up having to borrow the money from the City
Conversion of Commercial Buildings to Residential Use

- Review process depends on underlying zone and requested modifications
- Other:
  - May be accompanied by a Master Plan Amendment
  - Economics of building conversions can be very different from those of new construction
  - Examples: The Oronoco, 200 Stovall Street (Eisenhower Block 6A); Park Center, and Crowne Plaza

Senior Housing Projects

- Public review process: “Home for the elderly” allowed with a Special Use Permit
- Other:
  - May be accompanied by a Master Plan Amendment or rezoning
  - Economics of operating senior housing projects are very different due to the high cost of services
  - Examples include: Silverado, Sunrise, and Silverstone
DEVELOPER
CONSIDERATIONS—
COMMERCIAL TO
RESIDENTIAL BUILDING
CONVERSIONS

Ken Wire, Wire Gill LLP
Crowne Plaza
AFFORDABLE SENIOR HOUSING SUPPLY AND DEMAND

Terri Lynch, Division of Aging and Adult Services, DCHS
Bob Eiffert, Commission on Aging
AFFORDABLE SENIOR HOUSING SUPPLY

568
Committed affordable senior-only rental units in the City

3
1 auxiliary grant funded assisted living unit (Sunrise) and 2 discounted memory care units in the City (Silverado)

10
Units reserved units for Alexandria residents at Birmingham Green in Manassas

+ 15 PIPELINE
7 auxiliary grant funded units (Sunrise & Silverstone) and 6 units with Goodwin House subsidies

The Alexandria Redevelopment and Housing Authority and several other affordable housing providers provide deeply affordable housing opportunity for seniors in non-age restricted communities
DCHS Senior Rent Relief Program:

- Number served depends on annual budget allocation (39* in April 2019)
- Offers annual grants of up to $6,000/year to low-income renters (w/combined household incomes up to $25,600/yr) who are 65+ or permanently disabled and have no other assistance to help pay their rent
- Helps stabilize household and prevent homelessness

DCHS Homecare Services:

- Number served depends on annual budget allocation (FY19: average of 140/month)
- Contracts with two homecare agencies to provide limited homecare assistance to households w/incomes up to 50% of the Virginia median income (FY19: $25,164/yr for a 1-person household)
- Average assistance: 24 hours/month
- Typical services: housekeeping, grocery shopping, prescription pick-up, and bathing

*34 non-elderly disabled individuals are also served through the Rent Relief Program
AFFORDABLE SENIOR HOUSING DEMAND

322
Senior households (60 or above) on ARHA’s voucher waitlist

+ 6
Alexandrians on waitlist at Birmingham Green

+ 12
Alexandrians left Northern Virginia to move into an auxiliary-grant unit

+ 32
Alexandrian seniors on Rent Relief Program waitlist

Sources: Division of Aging and Adult Services, DCHS and ARHA February 2019

~3,350-3,906
Senior households (65 and above) with incomes at/below 60% AMI

Approximately 1/3 of these households have incomes at/below 30% AMI

Source: 2013-2017 American Community Survey 5-Year Estimates
DEVELOPER CONSIDERATIONS—SENIOR HOUSING PROJECTS

Bobby Zeiller, Silverstone
Q&A, FEEDBACK, and NEXT STEPS

Worksession #4—May 9, 2019
AHAAC Community Public Hearing—June 6, 2019
Planning Commission Briefing—June 25, 2019
City Council Presentation—July 7, 2019

Questions?
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